

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM109407

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

7. If Unit or CA/Agreement, Name and/or No.  
NMNM128992X

1. Type of Well  
 Oil Well  Gas Well  Other: COAL BED METHANE

8. Well Name and No.  
PGA UNIT 34 3

2. Name of Operator  
DUGAN PRODUCTION CORPORATION  
Contact: KURT FAGRELIUS  
Email: kfagrelus@duganproduction.com

9. API Well No.  
30-045-35540-00-X1

3a. Address  
709 E MURRAY DRIVE  
FARMINGTON, NM 87499

3b. Phone No. (include area code)  
Ph: 505.325.1821

10. Field and Pool or Exploratory Area  
BASIN FRUITLAND COAL

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 34 T24N R11W SWSW 660FSL 664FWL  
36.264798 N Lat, 107.996936 W Lon

11. County or Parish, State  
SAN JUAN COUNTY, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Pressure test 5-1/2" casing to 3000 psig for 30 mins, held (3/12/18). Ran GR-CNL-CCL logs from PBSD (730') to surface. Perforate Fruitland Coal from 632'-649' & 666'-679' w/4 spf (total 30', 120 holes) on 4/18/18. Broke down perms w/800 gals 15% HCl. Fracture treated well w/82,250 gals crosslinked foam and 120,000# 20/40 sand (5/1/18). Ran 2-3/8" 4.7# J-55 tbg, landed @ 722', SN @ 684' (5/7/18).

DISTRICT III

MAY 18 2018

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14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #419773 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMS for processing by JACK SAVAGE on 05/16/2018 (18JWS0129SE)**

Name (Printed/Typed) KURT FAGRELIUS Title VP LAND & EXPLORATION

Signature (Electronic Submission) Date 05/11/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By ACCEPTED Title JACK SAVAGE PETROLEUM ENGINEER Date 05/16/2018

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Farmington

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2) **\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

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